

Subpart E—Termination and Revocation of Programs

SOURCE: 72 FR 72249, Dec. 20, 2007, unless otherwise noted.

§ 62.60 Termination of designation

Designation will be terminated upon the occurrence of any of the circumstances set forth in this section.

(a) *Voluntary termination.* A sponsor notifies the Department of its intent to terminate its designation voluntarily and withdraws its program in SEVIS via submission of a “cancel program” request. The sponsor’s designation shall terminate upon submission of such notification. Such sponsor may apply for a new program designation.

(b) *Inactivity.* A sponsor fails to comply with the minimum program size or duration requirements, as specified in § 62.8 (a) and (b), in any 12-month period. Such sponsor may apply for a new program designation.

(c) *Failure to file annual reports.* A sponsor fails to file annual reports for two (2) consecutive years. Such sponsor is eligible to apply for a new program designation.

(d) *Failure to file an annual management audit.* A sponsor fails to file an annual management audit, if such audits are required in the relevant program category. Such sponsor is eligible to apply for a new program designation upon the filing of the past due management audit.

(e) *Change in ownership or control.* An exchange visitor program designation is not assignable or transferable. A major change in ownership or control automatically terminates the designation. However, the successor sponsor may apply for designation of the new entity, and it may continue to administer the exchange visitor activities of the previously-designated program while the application for designation is pending before the Department of State:

(1) With respect to a for-profit corporation, a major change in ownership or control is deemed to have occurred when one third (33.33%) or more of its stock is sold or otherwise transferred within a 12-month period;

(2) With respect to a not-for-profit corporation, a major change of control

is deemed to have occurred when 51 percent (51%) or more of the board of trustees or other like body, vested with its management, is replaced within a 12-month period.

(f) *Non-compliance with other requirements.* A sponsor fails to remain in compliance with Federal, State, local, or professional requirements necessary to carry out the activity for which it is designated, including loss of accreditation, or licensure.

(g) *Failure to apply for redesignation.* A sponsor fails to apply for redesignation, pursuant to the terms and conditions of § 62.7, prior to the conclusion of its current designation period. If so terminated, the former sponsor may apply for a new program designation, but the program activity will be suspended during the pendency of the application.

§ 62.61 Revocation.

The Department may terminate a sponsor’s program designation by revocation for cause as specified in § 62.50. Such sponsor may not apply for a new designation for five (5) years following the effective date of the revocation.

§ 62.62 Termination of, or denial of redesignation for, a class of designated programs.

The Department may, in its sole discretion, determine that a class of designated programs compromises the national security of the United States or no longer furthers the public diplomacy mission of the Department of State. Upon such a determination, the Office shall:

(a) Give all sponsors of such class of designated programs not less than thirty (30) days’ written notice of the revocation of Exchange Visitor Program designations for such programs, specifying therein the grounds and effective date for such revocations; or

(b) Give any sponsor of such class of designated programs not less than thirty (30) days’ written notice of its denial of the sponsor’s application for redesignation, specifying therein the grounds for such denial and effective date of such denial. Revocation of designation or denial of redesignation on the above-